ARTICLE AFPEARED
ON PAGE 4-/

·STAT=

NEW YORK TIMES 20 April 1984

Key C.I.A. Role Seen in Barring Of Nicaraguan

By PHILIP TAUBMAN

Special to The New York Times

WASHINGTON, April 19 — The White House rejected Nicaragua's Deputy Foreign Minister as the next Ambassador to Washington at the insistence of the Central Intelligence Agency, Administration officials said today.

They said the decision overruled a recommendation made by Secretary of State George P. Shultz and reflected what they described as the dominant role the C.I.A. has taken in determining United States policy toward Nicaragua.

The rejection, disclosed in Nicaragua on Wednesday, was confirmed by the State Department today.

Nicaragua Sanctions Weighed

At the urging of the C.I.A., Administration officials said, the White House is also considering imposing economic sanctions against Nicaragua, including an embargo of banana imports and the cancellation of landing rights in the United States for Nicaragua's national airline, Aeronica.

These measures have been opposed by the State Department, the officials said. A final decision on the sanctions has not been made.

Another sign of the C.I.A.'s ascendancy in shaping Nicaragua policy was the mining of Nicaraguan harbors, which Administration officials have said was proposed and encouraged by the intelligence agency as part of its three-year effort to harass the Sandinistas by supporting Nicaraguan rebels.

Intelligence officials said the C.I.A. objected to Nicaragua's choice for Ambassador, Nora Astorga, because of her role in the 1978 murder of an officer in the Nicaraguan National Guard who was a key operative of the C.I.A. The officials said that Miss Astorga lured the officer, Gen. Reynaldo Pérez Vega, to her bedroom where he was slain by Sandinista revolutionaries.

Administration officials said the C.I.A.'s growing role in shaping policy toward Nicaragua marked the latest development in a series of internal power struggles that have marked the Administration's management of

policy in Central America. Theoretically, the officials said, the State Department now directs the development of policy. Langhorne A. Motley, Assistant Secretary of State for Latin America, chairs an interagency committee that formulates policy.

In practice, however, the officials said, the State Department often has little influence over final decisions, with the Defense Department dominating policy discussions about El Salvador and Honduras and the C.I.A. taking the lead on Nicaragua.

The State Department, the officials said, sometimes goes along with Pentagon or C.I.A. initiatives despite reservations to avoid gaining a reputation for being soft on Soviet and Cuban interference in Central America.

White House officials said major decisions about American policy in Central America are discussed at National Security Council meetings, which are usually chaired by President Reagan and include the Secretary of State, the Secretary of Defense, the Secretary of the Treasury, the Attorney General and the Director of Central Intelligence. Final decisions, the officials said, are made by Mr. Reagan in consultation with the White House national security adviser, Robert C. McFarlane.

C.I.A. Support for Rebels

The C.I.A.'s role in policy development, the officials said, stems partly from the agency's primacy in managing support for the rebeis, a major component of American policy. Rebel forces number from 12,000 to 15,000 men, according to intelligence officials.

But they said the C.I.A.'s position, enhanced by the close relationship between President Reagan and William J. Casey, the Director of Central Intelligence, has expanded from that operational role to one of major influence over Washington's relations with Managua.

The agency's influence, they said, has also been aided by the presence of two former C.I.A. officials in key position at the White House and Defense Department. The former agency officials are Nestor D. Sanchez, the Deputy Assistant Secretary of Defense for Latin America, and Constantine C. Menges, Special Assistant to the President for Latin American affairs.

It is unusual, although not unprecedented, for the C.I.A. to become a key player in policy development, the officials said, noting that the agency exerted considerable influence over American relations with the Shah of Iran before he was ousted by Moslem fundamentalists in 1979.

The influence of the C.I.A. has risen and fallen over the years in response to the relationship between the Director of Central Intelligence and the President. The C.I.A. under Allen Dulles, for example, had substantial influence in the 1950's because he was on good terms with President Eisenhower. In addition, his brother, John Foster Dulles, was Secretary of State. The agency fell out of favor in the Nixon Administration, partly because of strains between Richard Helms, the C.I.A. director, and President Nixon.

However, because the intelligence agency has traditionally assumed a background, support role in foreign relations, its current influence is viewed with some alarm by other agencies, particulary the State Department, where many officials believe the C.I.A.'s activist tendencies have skewed American policy toward Nicaragua.

Administration officials said Mr. Shultz, partly because of what they described as his conciliatory style and partly because he does not feel as strongly about Central American issues as Mr. Casey or Secretary of Defense Caspar W. Weinberger, frequently does not present the State Department position forcefully in National Security Council meetings.

The officials said, for example, that Mr. Shultz's recommendation in favor of accepting Miss Astorga as Ambassador was not emphatic and was sent to Mr. McFarlane, the White House national security adviser, rather than directly to Mr. Reagan.

Defending their role, State Department officials said today that they did not expect the White House to approve economic sanctions against Nicaragua. "The C.I.A.'s pushing that but they aren't going to get it," a State Department official said.

They also said Mr. Motley remained the main American representative in discussions with Nicaragua about improving relations.

Assessing the relative influence of the C.I.A., Defense Department and State Department, a senior Pentagon official said, "If you look at actions, which are always the clearest expression of policy, you will find in Central America, especially in Nicaragua, that Bill Casey and Cap Weinberger are making policy, not George Shultz."

STAT